

February 6, 2020

Hon. Rod Phillips  
Minister of Finance  
Frost Building S  
7th Floor, 7 Queen's Park Crescent  
Toronto, ON M7A 1Y7

Email: [minister.fin@ontario.ca](mailto:minister.fin@ontario.ca)

Dear Minister Phillips:

**RE: Farm Forestry Exemption provisions in the *Assessment Act***

The Ontario Federation of Agriculture (OFA) is Canada's largest voluntary general farm organization, representing more than 38,000 farm family businesses across Ontario. These farm businesses form the backbone of a robust food system and rural communities with the potential to drive the Ontario economy forward.

We wish to take this opportunity to provide you with further details on our request to enhance the Farm Forestry Exemption (FFE) provisions in the *Assessment Act*. We have included this request in our submission responding to Ontario's pre-budget consultations.

The need to incentivize property owners to keep woodlots on their property was discussed at OFA's November 2019 Annual Meeting and Convention. OFA Convention Delegates passed a resolution calling for an enhancement to the FFE provisions to increase the portion of woodlands exempt from property tax assessment.

Currently under subsection 3(19) of the *Assessment Act*, one acre of every 10 acres of farmed property may be entitled to receive an FFE. An FFE is warranted if the property is assessed as a farm and the property has some forested or woodland portion that is not subject to either the Managed Forest Tax Incentive Program or the Conservation Land Tax Incentive Program. A maximum of 20 acres per lower/single tier municipality may be exempt under the FFE for one or more farm properties held under a single ownership.

Many farm businesses have total land holdings exceeding 200 acres and would therefore be subject to the 20-acre cap if their land holdings are located in the same lower/single tier municipality. To promote retention of farm woodlots, OFA requests that the Ontario government enhance the FFE provision.

Ontario farmers recognize and accept that not all land on their farms should be put into agricultural production. We also recognize that some non-farmed land on farms provide significant environmental benefits such as adverting soil erosion, protecting watersheds, and providing wildlife habitat. Enhancing the Farm Forestry Exemption (FFE) provisions in the *Assessment Act*

could aid farmers in protecting marginal or sensitive land by lessening the property tax burden. Farmland stewardship supports the made-in-Ontario Environment Plan objectives.

Thank you for your consideration of our request. Should you have any questions, I would be happy to meet to discuss our request.

Sincerely,



Keith Currie  
President

cc: Hon. Ernie Hardeman, Minister of Agriculture, Food and Rural Affairs  
Hon. Jeff Yurek, Minister of the Environment, Conservation and Parks  
Hon. John Yakabuski, Minister of Natural Resources and Forestry  
OFA Board of Directors